

From: Ron Thompson <ron@lightpatch.com>
Sent: Thursday, February 18, 2010 12:35 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

I am NOT in favor of the reduction of leverage. While you may view your actions as helpful, I do not. I can control my own risk, and find the proposed rules as extremely disadvantageous for my FOREX trading.

It is my feeling that the reduction of leverage will have the opposite effect of what you desire. New traders will initially invest more than they can afford, and, with little experience, will lose more money faster because they have to put more money in the market to make the same size trade.

Thanks for listening

Ron Thompson

Ron Thompson
Freedom CA, 95019
ron@lightpatch.com

From: Kendal, Robert (Ma'aden) <Robert.Kendal@WorleyParsons.com>
Sent: Thursday, February 18, 2010 12:56 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

RIN 3038-AC6

An absolutely ludicrous proposal further punishing the man in the street for the extremes of the banking system. The man in the street now wishing to cut out the middle man i.e. the banks who took too much risk, is being denied the freedom of choosing his own risk level. Well done for hitting the wrong target yet again

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From: 李彬 <lee_bean@163.com>
Sent: Thursday, February 18, 2010 5:52 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

To whom it may concern:

I am a forex trader in China and I have been using US brokers for several years and very satisfied. Compared with other countries brokers, the aspects of US counterparties appealing me, which I think apply to other countries clients also, are:

- 1, Strong and respectable regulation bodies,
- 2, Sound and sophisticated financial infrastructure,
- 3, US as a country have a tradition for the protection of international investors,
- 4, US based forex firms are generally more financially solid and well-managed.

Regarding your recently regulation proposal, I fully agree to enhance industry oversight, but I don't like put any restrictions on leverage. Leverage is a very important tool for us seeking financial freedom as your American, and lowering leverage dramatically like this will not only hurt our clients feeling but also drive us to other countries (ie. unregulated) brokers despite above advantage. This is not a win-win situation, it's a lose-lose situation that you probably wouldn't expected.

Please reconsider your proposal.

Regards,

Bin Li

From: Kene Oliobi <koliobi@hotmail.com>
Sent: Thursday, February 18, 2010 7:30 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Dear Mr. Secretary,

I would like to request that you do **NOT** implement any changes to the maximum leverage ratio for currency trades, which currently stands at 100:1.

Any changes to this ratio will simply move traders offshore. The trades will still occur regardless of what you do. Reducing the allowed leverage will just push traders outside US jurisdiction. With the US' 100:1 ratio, it is still low by international standards (E.g., UK allows for as much as 500:1). Further reducing this ratio would be rather ridiculous, in my opinion.

Making this rule change will do nothing except reduce the revenue of the US foreign exchange industry and the associated tax revenues. A loss to the US public on all counts.

Kindly make sure to consider this opinion before making any decision.

Regards,

Kene Oliobi
RIN 3038-AC61

From: william wattenbarger <william_wattenbarger@yahoo.com>
Sent: Thursday, February 18, 2010 9:29 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

I am very unhappy with the proposed change to the maximum leverage. I like the high-stakes aspect of this market place. I think that the changes would hurt me, personally. I am new to trading, but have done well, to my view. I studied and practiced for a year, and now the limited leverage could reduce my return on that preparation, by ninety percent. So I am very much apposed to it. It's too strict. I don't see anything wrong with 100 to 1 leverage.

From: Jil York <jilyork@yahoo.com>
Sent: Thursday, February 18, 2010 10:26 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Dear Sirs,

I have recently learned of the proposed increase in margin levels for Retail Forex to 10:1. I am opposed to such a measure.

I understand the intent to protect the consumer from highly margined products that could cause them harm while trying to minimize speculation. My question is simply this, why choose forex? I have owned and participated in many businesses in my life. Truly, each and every business I am aware of is speculative. Every retailer purchases merchandise believing that they can sell it for a higher price than what they purchased it for. Many times, this merchandise is purchased completely on credit...which, if one gives it thought, is infinite margin. The loss that the merchant can incur is the cost of the merchandise they have purchased. In forex, the loss is limited to the amount in ones account. The risk that any currency will go to zero is significantly less that the risk that a food product or fashion will become worthless. The risk is controlled in the forex account with proper money management.

There are many individuals in the retail forex market who make a living based on the current "rules of the game". Any time one chooses to trade forex, they are given multiple warnings about the possibility of loss. There are many who choose to trade anyway and decide to treat it like gambling by not learning the craft and they lose money, a great deal of it. Every broker that I am aware of offer unlimited opportunity for one to trade in demo accounts prior to trading with live funds. Most offer a great deal of education and other tools to help the new trader learn the market and important money management rules. I sincerely question if the introduction

Those of us who make a living at the markets have invested a great deal of time into learning the way the market operates and we shouldn't be penalized for those that choose to "stick their toe in the water" without a great deal of thought. I urge you to not increase the margin requirements.

Respectfully,

Jil York
2266 Land Harbor
Newland, NC 28657

From: marvin young <marvin_y_gapp@peoplepc.com>
Sent: Thursday, February 18, 2010 10:50 AM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Dear Mr./Mrs. Secretary,

I write to offer my comments about the proposal to limit the leverage allowable on retail foreign currency

Trading accounts.

Without much disagreement, the events surrounding Sept. 2007 to the present have caused much

Rethinking and reconsideration on the part of regulators in an attempt to indentify and hopefully

Intelligently protect the taxpayer from unwarranted risk associated with trading practices of

Gov't backed institutions.

Without much disagreement, most would conclude that some changes are needed in how

Risk is managed and ultimately who endures the consequences of losses from institutional risk.

However it is equally true, and many would agree within the industry that the instruments traded

By institutions that were ultimately the cause of risk were never traded OPENLY ON RETAIL

CFTC REGULATED EXCHANGES IN 2007, 2008 OR EVEN TO DATE HERE IN 2009.

Most would contend I think that CREDIT DEFAULT SWAPS, AND OTHER CREDIT INSURANCE VEHICLES , NOT TRADED ON FUTURES EXCHANGES SUCH AS THE CBE, OR CBOT, OR OTHER OPEN, PUBLIC, REGULATED TRADING EXCHANGE

WERE DURING THE PERIOD OF OVERLEVERAGED "BETTING" BY GIANT INSTUTIONS
SUCH AS AIG THE CAUSE OF RISK TO THE FINANCIAL INDUSTRY AS A WHOLE.

Retail traders engaged in markets such as Forex, Futures, Bonds etc. had already
In place measures to insure that risk was not ultimately passed on to taxpayers.

Futures and Bond trades on instutions such as the CBE are subject to margin
Requirements AS WE SPEAK. No taxpayer entity is ultimately the gaurantor of
Last resort for entities engaged in Futures trades on open exchanges.

No taxpayer entity is ultimately the gaurantor of last resort for entities engaged
In Forex trades, all of which are transacted on open regulated exchanges.

I urge the CFTC and those debating this vital issue to reconsider their
Case, and refrain from heavy handed and unwarranted restrictions imposed
On the exchange community and those who engage in lawful, deliberative,
Privately-backed market participation.

I would humbly suggest that a better way of constraining risk in banking
Entities so disposed to trade on exchanges is this: Place back in order
The wall of separation between investment-style banks whose means
Of revenue generation ultimately is not tied to consumer deposits, and
Those more limited banking entities whose revenue generation streams
Do in fact include deposits held from the public.

One could limit risk to taxpayer backed deposits by simply holding to
The prior practice where investment banking and retail banking entities
were regulated with different rules.

One would therein insure that no government entity will ultimately be
The gaurantor of last resort for investment style banks. Further, to

Still further protect the taxpayer, one could simply further restrict
ANY BANKING ENTITY, from using Federal Reserve Funds (Short
Term Federal Reserve Credit) Equity in any investment practice
involving Credit Default Swaps, Mortgage backed securities, OR ANY OTHER
INSTRUMENT
NOT CURRENTLY TRADED ON OPEN, EXISTING REGULATED
EXCHANGES.

One simply could place a wall of separation between funds ultimately
Derived from PRIVATE INVESTORS, and funds ultimately derived from
The PUBLIC TREASURY.

Indeed it seems to be even-handed to consider the question of how we can
Ultimately refrain from penalizing PRIVATE ENTITIES USING PRIVATELY
BACKED FUNDS from becoming subject to the overall policy changes
Proposed by regulators.

Privately-backed funds and entities ultimately contribute to the tax
Base of our nation, and contribute in greater or lesser degree to the
Extent that they are given reasonable unfettered course of business, without
unwarranted penalties for engaging in styles of trading that perhaps
appear on first appearance "too much" To the public.

Privately-backed funds ultimately succeed precisely because risk
Is not a "bet" to those entities. Risk is a known quantity, that is
Managed with due respect for consequential failure. I urge
Consideration on the part of the CFTC, and other regulators
Before acting so precipitously as to diminish the capabilities
Of private-backed entities in the markets.

**AIG, and those engaged in handling Credit Default Swaps,
Mortgaged backed securities, and similar instruments,
Not openly traded on Futures exchanges, and not traded on
Foreign Currency exchanges, were the consequent and root
Cause of unwarranted taxpayer risk.**

From: John Lemkins <jlemkins@hotmail.com>
Sent: Thursday, February 18, 2010 2:28 PM
To: secretary <secretary@CFTC.gov>
Subject: Proposed CFTC Leverage Change

I have invested and traded the markets since 1967. Each investor/trader/speculator has his/her seasons and reasons. My reasons for how much risk I choose to take at this point in my life are very well thought out and are different from the next person's risk tolerance. Just as there is strength in genetic diversity, there is the same strength in the diversity of each individual's risk profile as it relates to market liquidity. And liquidity is the markets' lifeblood. This proposed change is draconian, totalitarian, and simply bad for free markets. I urge you start managing the corruption, the misreporting, the callous regard for law, so rampant among the big players on Wall Street and stop micromanaging Mainstreet.

From: John Lemkins <jlemkins@hotmail.com>
Sent: Thursday, February 18, 2010 3:09 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

Regarding **RIN 3038-AC61**

I have invested and traded the markets since 1967. Each investor/trader/speculator has his/her own seasons and reasons. My reasons for how much risk I choose to take at this point in my life are very well thought out and are different from the next person's risk tolerance. Just as there is strength in genetic diversity, there is that same strength in the diversity of each individual's risk profile as it relates to market liquidity. And liquidity is the markets' lifeblood. This proposed change is draconian, totalitarian, and simply bad for free markets. It is government meddling of the worst kind. I challenge you to do better than that for the citizens and markets of this great nation. We believe and trust that you can do better than that. But our patience is running out, because time, the most precious of all commodities, is running out for meaningful actions to stabilize our economic 'fault lines'. I urge you start managing the corruption, the misreporting, the callous regard for law, so rampant among the big players on Wall Street and stop micromanaging Mainstreet.

From: Jose Garcia <jgarcia.joe@gmail.com>
Sent: Thursday, February 18, 2010 3:49 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

I understand that this proposal is meant to protect us from risk, but leverage can also help those who take the time to educate themselves and those who continually try to improve their risk management (or money management) skills. I'm a big believer in being responsible for your own actions. If a new investor or retail trader makes unwise trading decisions and ends up losing his money, it's his fault for not taking the time to learn how it really works, not the brokers for offering too much leverage. I myself lost 80 percent of my original investment due to retail trading, but I was fairly new to forex and I took the experience as a learning one and improved because of it. I didn't go crying to the government like many people do these days. So, please do as you should-protect the people and their property, but don't limit our potential just because a few greedy-uneducated-impatient traders lost money.

RIN 3038-AC61

From: Eric Morin <eric@globalbeautycollection.com>
Sent: Thursday, February 18, 2010 3:57 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

My name is Eric and I am a trader on the Forex Market.

My address and contact information:

Eric Morin
250 181st drive #111
Sunny Isles Beach, FL 33160

I can be reach at email: eric@globalbeautycollection.com

Me, Eric Morin, I am opposed to the proposal that would restrict available leverage to 10:1 even for the most widely traded currency pairs and will be actively lobbying against it.

I know as a trader that leverage is risky. That's why it is important as a trader to adopt good money management when trading. In my case I use discretionary money that I have saved over the years. As an adult, I know what I am doing, I take calculated risk, I protect myself with protective tool (Stop/limit), but if it happens that I loose on one trade, I don't loose all my money. Anyway, this is discretionary money, so, I do whatever I want with it.

May be some people in the past have lost their savings by over leveraging their trade and taking a wrong trading decision with no protection. In that case the problem is not the leverage ratio; it is only a matter for the person to question themselves about how much money they can loose. This is a risky business; the problem is not the leverage. You can not regulate the stupidity. If somebody decides to use the food money to trade on Forex, the problem is not the leverage. The problem is within the mind of that person.

Probably this market is not for everybody, make sure that they are adult and they have read the notices, that appears everywhere on the trading websites. It is posted everywhere. Those notice advertise the fact that this kind of market is risky and they can loose all the money in one trade. If they don't have the money to do it and decide to do it anyway, that's not my problem and I don't want to be affected by the bad decision of a few peoples. I don't want a regulation that modify my trading habit only because a few people can not live with it. I am opposed to this regulation.

Thanks,

Eric Morin
Global Beauty Collection
<http://www.globalbeautycollection.com/>

From: Steven Bergeron <BergeronS@vmcmail.com>
Sent: Thursday, February 18, 2010 4:33 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

If you follow through with these ludicrous changes to Forex in this country, you're going to absolutely drive it overseas! No one in their right mind will continue to trade Forex here. You will essentially shut it down and all of the tax revenues will simply disappear. It's that simple.

There must be another way to go after frauds than destroying an industry by this type of approach. Please rethink the whole issue.

Steven Bergeron
Birmingham AL, 35473
BergeronS@vmcmail.com

From: Al Olson <taborwd@cableone.net>
Sent: Thursday, February 18, 2010 5:05 PM
To: secretary <secretary@CFTC.gov>
Subject: proposed new regs

I firmly disagree with proposal to limit leverage on fx trading to 10:1. With a 4 pip spread on small lots (1/10th regular lot), small home bound day traders like myself it would be impossible to ever break-even. All traders absolutely need a 100:1 leverage to trade foreign currencies - especially when the merchant siphons off a minimum of 4 pips/trade.

Thank you for your consideration.

Al Olson
taborwd@cableone.net

From: government4-bounces+secretary=cftc.gov@mail.aliconferences.com on behalf of Lisa McClear, ALI Conferences <lisamcclear@aliconferences.com>
Sent: Thursday, February 18, 2010 3:25 PM
To: secretary <secretary@CFTC.gov>
Cc: ALI Conferences Government Notification List - Part 4 <government4@mail.aliconferences.com>
Subject: Discount Extended to Feb 19th: Social Media for Recruiting in Government & Defense: April 12-15, 2010, Washington DC

Due to the snow storms in Washington, DC last week, early bird rates have been EXTENDED to Friday, February 19th to save \$400...

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"SOCIAL MEDIA for RECRUITING

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General Sessions

Tuesday, April 13 - Wednesday, April 14, 2010

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Chairperson's Welcome & Opening Presentation:

Recruiting The Next Generation

Of Top Talent In Government:

How To Generate Buzz And Build

A Community Of Talent Through

Social Media

--BOOZ ALLEN HAMILTON

Break-Out Blitz!
Network And Discuss Social Media
For Recruiting Challenges With
Your Fellow Conference Attendees

How To Make Social Media
Outreach A Sustainable Part Of
Your Recruitment Efforts

How Today's Peace Corps
Employs Social Media For 21st
Century Recruitment
--PEACE CORPS

Utilizing Social Media To
Build Your Employer Brand,
Particularly In A Down Economy
--U.S. DEPARTMENT OF THE NAVY
--CAMPBELL-EWALD

Panel Discussion:
Using Social Media To Attract
Generation Y And Recruit Top
College Talent
--COLLEGERECRUITER.COM
--BRAZEN CAREERIST
--CAMPUSGOV

Expanding Your Recruiting
Communications Reach Into
Virtual Worlds And Social Networks
While Working Within A
Limited Budget
--INTERNAL REVENUE SERVICE

Lessons Learned In Using
Social Media For Army Recruiting
--U.S. ARMY

How To Convince Senior
Leadership That Social Media
Can Help – Not Harm –
Your Recruiting Efforts
U.S. AIR FORCE

Group Exercise & Interactive Session

Legal Adventures In Web 2.0:
How To Work Effectively With
Your Legal Department When

Diving Into Social Media
THE LIBRARY OF CONGRESS

Private Sector Case Study
How To Effectively Incorporate
Social Media Into A Comprehensive
Recruitment Strategy: Practical
Strategies And Usable Steps
SODEXO, INC.

Chairperson's Recap:
Key Takeaways And What To Do
When You Get Back To The Office
BOOZ ALLEN HAMILTON

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You may choose to attend one of more of these optional, practical, &
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PRE-CONFERENCE WORKSHOPS:
MONDAY, April 12, 2010
Choose A or B or BOTH

PRE-Conference Workshop A, 8:30am - 11:30am

Social Media 101:
How To Successfully Leverage
New Social Media Tools In Your
Government Organization To
Find And Recruit New Talent

Facilitated By: Panetta Communications

PRE-Conference Workshop B, 1:00pm - 4:00pm

Everyday Activities Government
Organizations Can Effectively Use
To Maximize The Benefits Of Web 2.0
Technology And Compete More Effectively

Facilitated By: Arbita, Inc.

POST-CONFERENCE WORKSHOPS:

THURSDAY, April 15, 2010
Choose C or D or BOTH

POST-Conference Workshop C, 8:30am - 11:30am

How To Leverage Social Media
To Strengthen Your Human Capital
Management Strategy -- Techniques
To Implement Now And Strategies
For The Future

Facilitated By: Booz Allen Hamilton

POST-Conference Workshop D, 1:00pm - 4:00pm

How To Prove The Value Of Social
Media And Online Marketing For
Recruitment: A Step-By-Step Guide
To Building Your Own Measurement
Framework

Facilitated By: Bold Interactive

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POST C: How To Leverage Social Media To Strengthen
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Techniques To Implement Now And Strategies
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POST D: How To Prove The Value Of Social Media
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FORWARD TO A COLLEAGUE!

If you know of anyone tasked with streamlining and improving their recruitment and retention strategies by incorporating new media channels, please forward this email to a colleague who may benefit from best practices and lessons learned in using social media for recruiting in government and defense.

SOCIAL MEDIA for RECRUITING
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Using Web 2.0 Technologies To
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* RESCHEDULED DATES *

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http://www.aliconferences.com/conf/social_media_govt0210/index.htm

4. SOCIAL MEDIA for GOVERNMENT, March 22-25, 2010, Dallas

http://www.aliconferences.com/conf/social_media_govt0310/index.htm

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Your Government Training Partner Since 1997

From: Pradyumna Upadrashta <pradsu@gmail.com>
Sent: Thursday, February 18, 2010 7:13 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex | 10:1 leverage is a VERY bad idea

To:
Mr. David Stawick, Secretary Commodity Futures Trading Commission
1155 21st Street, N.W., Washington, DC 20581

Dear Mr. Stawick:

The proposed CFTC legislation to limit leverage limits to 1:10 in the forex markets will be disastrous for the US forex market. Currently, a minimum leverage of 100:1 is required to be marginally profitable on currency trades. A typical currency does not fluctuate more than 100 pips (basis points) over the course of a day of trading. By constraining leverage further, this movement is constrained to about 10 pips - it is guaranteed that traders will be barely able to break even at this level. I believe strongly that this will not only stifle the US forex market, but will cause an exodus of larger traders to foreign brokerages, while simultaneously restricting access for smaller traders that will not have the ability to migrate.

The concept of leverage has been much maligned in the public eye of late due to the widespread misconception that it was leverage that caused the recent financial crisis. It was never the leverage which caused the crisis - but rather, an inability to price illiquid securities in a relatively insulated OTC market place. In a highly liquid and well capitalized global market such as forex, where over \$1.4 trillion dollars change hands on a daily basis, a trader's account is marked-to-market virtually instantaneously as market prices are constantly updated to reflect prevailing supply/demand. There is absolutely ZERO risk of a systemic credit failure or a "run on margin" as a trader's account is automatically closed out (margin called) when a broker-dealer determines that there are insufficient funds. All forex trading accounts are settled continuously (or at least at the end of a market "day"), preventing an account from imploding beyond the original margin requirement - this precludes the ability of traders to "break the bank" ever. In the highly illiquid derivatives market this is not the case, since often the market value of a derivative security cannot be readily determined. In forex, all quoted prices are highly responsive to supply/demand in the broader market.

This new 10:1 leveraging rule is pure political posturing and does not have any basis from a risk management or regulatory point of view.

I do hope that such an unfair legislation will never come to pass, or you can be absolutely certain that the US forex market will come to a grinding halt. It was bad enough when they reduced leverage from 400:1 to 100:1, but reduction to 10:1 is unsustainable and no trader will be able to make a profit, and no market maker will be able to offer a sufficiently attractive commission structure to entice traders to deal with US brokers - it is mathematically impossible to operate profitably at those levels. By reducing leverage down to 10:1, the CFTC is effectively amplifying the cost of a trade by 10x, making any and all forex trading in the US impossible. On top of that, this new leverage increases the risk of a trade 10x as well. Consider that whereas at 100:1 leverage, I risk \$1000 for every \$100K of currencies traded, that now I have to risk \$10,000 for every \$100K of currencies traded. This new rule has effectively placed 10x more of my personal capital at risk. There will be (should be!) a mass exodus to foreign markets if this legislation passes.

I would like to stress the point that the practical impact of leverage in a forex account is NOT the same

as leverage in other markets. It is absolutely unfair to treat them in the same manner - it is not only irresponsible, but it draws serious concern as to whether the regulators understand what it is they are regulating, when they "throw the baby out with the bath water". It is even more unfair to punish the entire trading community for the acts of a few large irresponsible banks. It was stupid to have repealed glass-steagal to begin with, and this new piece of legislation is nothing but politically self-serving. The volcker rule of re-instating a separation between banking and proprietary trading is a step in the right direction. Reducing forex leverage is undeniably a step in the wrong direction.

These illogical and irrational developments in regulation are deeply concerning to everyone in this industry; instead of bringing stability, this may wipe out the industry altogether. I am writing this letter to URGE the CFTC and other concerned regulatory bodies to reject this nonsensical piece of reactionist/populist legislation outright.

As a small trader, I know that I cannot afford to trade under these new regulations, and am seriously thinking about finding a broker elsewhere that can give me better options. I'm very concerned with the bludgeoning approach to regulatory reform that is being practiced right now, when a scalpel is what is required.

I'm not certain how much my input is valued, but there it is, for what its worth. I am certain that there is an entire community that feels the same way. I am guessing that asking CFTC to re-instate the 400:1 leverage allowance is too much.

Respectfully,
A very concerned citizen/trader/investor.

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Pradyumna ("Prad") S. Upadrashta, BChE PhD
+001 402 598 9398 | pradsu@gmail.com | <http://www.linkedin.com/pradsu>

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From: Bill Villanueva <newvillage@embarqmail.com>
Sent: Thursday, February 18, 2010 11:04 PM
To: secretary <secretary@CFTC.gov>
Subject: Regulation of Retail Forex

I would like to voice my opposition to the new regulations being considered concerning reducing leverage limits when it comes to trading Forex.

I am relatively new to the market but have enjoyed learning the nuances of the field and what you are considering will kill any incentive for smaller investors to be involved. It will deny us a chance to increase our livelihoods through part-time trading and the ability to better ourselves and our families. There are risks in any investment out there and from listening to the majority of the people involved, we all are trying to do our due diligence to understand the risks involved and take appropriate precautions.

Please do not screw up yet another opportunity for the little man to profit when they apply themselves to learning new skills to better their economic state.

Sincerely,

Bill Villanueva